

## Message Text

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63

ACTION ARA-17

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-07 H-02 INR-10 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-12

OMB-01 AID-20 PC-04 RSR-01 /108 W

----- 031725

R 072239 Z JUN 73

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 0112

INFO USCINCSO

LIMITED OFFICIAL USE LA PAZ 3432

USCINCSO FOR POLAD

E. O. 11652: N/ A

TAGS: PGOV PINT BL

SUBJ: FSB POLITICS

BEGIN UNCLASSIFIED

1. THE LONG SIMMERING LEADERSHIP STRUGGLE WITHIN THE FSB BROKE OUT INTO THE OPEN AGAIN WITH THE APPEARANCE OF A PAID AD PLACED IN THE JUNE 6 LA PAZ PRESS BY ORURO FSB MILITANTS DISAVOWING THE PARTY LEADERSHIP OF FSB CHIEF ( AND FONMIN) MARIO GUTIERREZ AND PLEDGING SUPPORT FOR EX- FSB SUBCHIEF ( AND EX- MINHEALTH) CARLOS VALVERDE. THE JUNE 7 NEWSPAPERS GAVE PROMINENT COVERAGE TO THE MATTER AND TO RELATE D STATEMENTS BY FSB OFFICIALS.

2. VALVERDE TOLD REPORTERS THAT HE WAS A LOYAL PARTY MEMBER BUT THAT ALL PARTY MEMBERS, SUCH AS THOSE IN ORURO, HAVE THE RIGHT OF DISSENT. ACCORDING TO ONE NEWSPAPER GUTIERREZ TOLD REPORTERS IN SANTA CRUZ, WHERE HE IS NOW VISITING, THAT HE WILL NOT STAND FOR REELECTION AS PARTY LEADER AT THE FSB CONVENTION SCHEDULED FOR AUGUST. ALSO SPEAKING ON THE SUBJECT FSB OFFICIAL ( AND FPN SECRETARY GENERAL) JAIME PONCE CABALLERO CRITICIZED VALVERDE' S POSITION AND PREDICTED LIMITED OFFICIAL USE

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GUTIERREZ' REELECTION AS PARTY CHIEF.

3. THE JUNE 7 PRESS ALSO CARRIED AN OFFICIAL STATEMENT BY THE FOREIGN MINISTRY THAT PRESIDENT BANZER HAS OFFERED VALVERDE ASSIGNMENT AS AMBASSADOR TO THE CENTRAL AMERICAN COUNTRIES. THIS STATEMENT WAS IN RESPONSE TO AN EARLIER DENIAL BY VALVERDE THAT HE HAD BEEN OFFERED ANY AMBASSADORIAL POST. WHEN VALVERDE WAS REMOVED FROM THE CABINET IN APRIL, HE AT THAT TIME STATED PUBLICLY THAT HE WOULD NOT LEAVE THE COUNTRY BUT THAT HE WOULD STAY IN BOLIVIA TO " FIGHT FOR THE REVOLUTION". ( LA PAZ 2446) END UNCLASSIFIED.  
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4. COMMENT: VALVERDE CLEARLY HAS NOT GIVEN UP ON HIS AMBITIONS TO WREST CONTROL OF THE FSB AWAY FROM GUTIERREZ EVEN THOUGH HE WAS SOUNDLY DEFEATED IN AN EARLIER EFFORT LAST FEBRUARY ( LA PAZ 1117), AND AS LONG AS HE HAS REASON TO BELIEVE HE CAN CONTEST GUTIERREZ' LEADERSHIP WITH SOME HOPE OF SUCCESS, IT IS DOUBTFUL THAT HE WILL ACCEPT AN AMBASSADORIAL POST. ALTHOUGH VALVERDE, ONE OF THE TRUE HEROES OF THE 1971 REVOLUTION, HAS SIGNIFICANT SUPPORT WITHIN THE FSB, WE DOUBT THAT HE HAS ENOUGH TO WIN OUT OVER GUTIERREZ IF GUTIERREZ CHOOSES TO DEFEND HIS POSITION. GUTIERREZ' REPORTED DECISION NOT TO SEEK REELECTION AS PARTY CHIEF DOES NOT RING TRUE; IT IS MORE LIKELY A PLOY DESIGNED TO RALLY SUPPORT TO HIM. GUTIERREZ' MAIN TROUBLE WITHIN THE FSB IS THAT EVEN HIS MOST LOYAL SUPPORTERS SAY HE PAYS TOO MUCH ATTENTION TO BEING FONMIN ( AND THE COCKTAIL CIRCUIT) AND NOT ENOUGH TO PARTY AFFAIRS THEREBY PERMITTING PROBLEMS WITHIN THE PARTY TO FESTER AND EASING THE WAY FOR MORE AMBITIOUS PARTY LEADERS SUCH AS VALVERDE TO WORK AGAINST HIM.

5. IF IT PROVES THAT VALVERDE CANNOT UNSEAT GUTIERREZ, HE STILL MAY HAVE ENOUGH FOLLOWING TO SPLIT THE PARTY IF HE CHOOSES. VALVERDE IS AN AMBITIOUS AND EFFECTIVE POLITICAL FIGURE AND IS NOT THE KIND OF MAN TO CONTINUE INDEFINITELY IN A SECONDARY POSITION UNDER SOMEONE ELSE' S LEADERSHIP. A SPLIT OF THE FSB, ALREADY BY FAR THE SMALLER AND WEAKER OF THE TWO POLITICAL PARTIES IN THE FPN COULD RAISE QUESTIONS ABOUT ITS CONTINUED ROLE IN THE FPN AND THE GOB, PARTICULARLY WITH REGARD TO ITS RIGHT TO HOLD FIVE CABINET POSITIONS. END LIMITED OFFICIAL USE.  
SIRACUSA

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\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

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**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
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**TAGS:** PGOV, PINT, BL  
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SECSTATE WASHDC  
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